

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
HUMAN SERVICES TECHNICAL COMMITTEE MEETING

March 5, 1998
MAG Offices
Phoenix, Arizona

MEMBERS ATTENDING

*Lorenzo Aguirre, City of El Mirage	Mary Ann Lavine, Glendale Community Council
Wendell Akers, DES/RSA	
Nora Kruse for Skip Bingham, DES/RSA	*Stephen MacFarlane, City of Phoenix
Karin Bishop, Valley of the Sun United Way	Mary Enriquez for Doris Marshall, City of Phoenix
*Gene Burns, DES/ACYF	Jose Mercado, DES/Aging & Adult Administration
Tim Cox for Tom Canasi, City of Tempe	Sheryl Pieper, City of Tolleson
*Sylvia Cartsonis, Northwest Valley Regional Community Council	*Esther Pineda, City of Avondale
Tanya Collins, City of Mesa	Ed Portnoy, City of Scottsdale
Laura Guild, DES/CSA	Suzanne Quigley, Mesa United Way
Steve Wise for Kate Hanley, Tempe Community Council	Lili Schuett, Town of Gilbert
*Rosemary Ybarra Hernandez, City of Surprise	Wayne Tormala, City of Phoenix
Gloria Hurtado, City of Phoenix	Lisa Mehlhoff for Pat Tyrrell, City of Chandler
Jeannie Jertson, Maricopa County	*Rebecca Van Marter, The Community Forum
Jim Knaut for Mary Lynn Kasunic, Area Agency on Aging	*Dianne Wagemann, DES/DDD
*Stuart Kent, City of Glendale	

*Those members neither present nor represented by proxy.

OTHERS PRESENT

Barbara Carpenter, MAG
Carol Kratz, MAG

1. Call to Order

Chair Karin Bishop called the meeting to order at 9:10 a.m. She announced that Wendell Akers is retiring from DES/RSA, and that this will be his last HSTC meeting after many years of membership. She thanked Wendell on behalf of the committee members for all his contributions. Karin also announced that Mary Ann Lavine was honored recently by the YWCA with a Tribute to Women Award. Mary Ann said that she was nominated by the Kachina Soroptomists.

2. Approval of February 5, 1998 Technical Committee Minutes

The motion by Mary Ann Lavine, seconded by Wayne Tormala, to approve the minutes of February 5, 1998 was carried unanimously.

3. Potential Impacts of Electric Deregulation

Bill Murphy, representing the City of Phoenix for electric deregulation issues, explained and simplified the issues of concern today related to electric power deregulation. Key points of his presentation were:

The 1992 Energy Policy Act set the motion for deregulation that is limited to wholesale electricity sales and which set the rules for retail sales. The national sentiment is that monopolies do not deliver as efficiently as the free market, and this calls for deregulation. Five other industries have been deregulated by the government: the airlines, long distance telephone, trucking, railroads, and natural gas. The electric utility industry is complex and vertically integrated: a) generation [what is being deregulated], b) transmission [from generation plant to an area near customers], and c) local distribution.

Deregulation causes re-regulation of transmission by the federal government and by states. 30% of APS' costs are for generation [deregulated]. 76% of SRP's costs are for generation [deregulated]. 30% of APS' costs also are for "stranded" costs [regulated]. These deregulated cost areas will present "opportunities." Stranded costs are incurred during a regulated generation environment, which become uneconomic in a competitive environment.

It is difficult to predict what the savings will be. Retail sales are regulated at the state level. Utility rates are set by class of customer (e.g., residential, commercial, or industrial). Residential rates are the highest, and Arizona is second only to California in high price of electricity. Issue questions focus on reliability, independent system operators (ISOs), and big property taxpayers.

There is concern that the largest industrial consumer will benefit the most and that residential customers, especially low income households, will be lowest priority for cost reduction benefits. The bigger the customer, the better the discount. There is some uncertainty about how to educate residential customers. The City of Phoenix is concerned that, as a big electricity customer, it might benefit from deregulation and no benefits would be left for the smaller residential customer.

Mr. Murphy explained that the state legislation being considered now calls for deregulation to begin the same day as the bill is passed -- for tax reasons. APS and SRP would be doing different things, at least for a while, because they are regulated by different agencies. Mr. Murphy summarized potential residential-small customer protections: aggregation of consumers, education, "do-nothing"-- by keeping the same utility company with a price cap, and program continuation. He advised customers that a contract would override deregulation, that it is important to know what one's usual load use is, and to talk with others who have organized around the issue.

4. MAG Human Services Plan 1998-1999

Carol Kratz introduced draft chapters for the 1998-1999 Human Services Plan. She asked members of each target group subcommittee to specifically look at the chapter for their respective target group population. HSTC input is needed to make sure the plan is as current and usable as possible. She also noted that the Maricopa County Needs Assessment information might be ready soon enough for inclusion.

5. Problem Definitions and Priorities for SFY 1999-2000 Planning

Committee members broke out into target group subcommittees to evaluate problem statements and priorities. Changes will be incorporated by staff and presented to the HSCC at its next meeting. The same priorities and problem statements will be available during the public input time period for feedback.

Discussions following each subcommittee report indicated that there is some confusion among committee members about the relationships between prioritization and SSBG funding. Carol Kratz clarified for members that the plan is comprehensive, and that our first steps in the annual planning process are to gather information from local communities and individuals about needs. We then develop problem statements to define the needs, and prioritize the needs in order of importance. All of these considerations are comprehensive across the Maricopa County region, and are developed regardless of available funding and funding limitations. Our next steps, once problem statements and priorities are established, involve selecting possible services to meet the needs with accompanying SSBG funding. It is possible that higher priority needs are ineligible for funding, or we may choose to recommend no funding with SSBG monies for certain needs for various reasons. The lack of or availability of fund resources does not drive the establishment of needs.

6. Public Input Planning

It was announced [incorrectly] that the televised public input meeting will be April 28, 1998 from 5:30 p.m. to 7:00 p.m. in the Scottsdale City Hall Kiva. Minutes are amended to reflect that the correct date is April 23, 1998. Chair Bishop reminded members that it is important for each one to insure that a citizen appears to speak.

There was discussion to insure equal distribution of comments across issue areas. Carol Kratz reminded members that a 24-hour telephone number will be available for members of the public to leave additional input, and the MAG web site may provide additional public information and interaction.

7. Welfare Reform Subcommittee Report

In the absence of Subcommittee Chairman Esther Pineda, the Chair gave a report. She encouraged committee members to use the Subcommittee as a resource regarding welfare reform policies and updates. She reported that, to date, the Arizona House struck all of the language in SB1082 and substituted its language from HB2574 for welfare privatization. One amendment regarding privatization input was added. The original House bill 2574 is at the Senate awaiting committee assignment.

The House appropriation bill, HB2620, passed the House unanimously. Karin offered copies of this bill to anyone who would like one.

The Welfare Reform Subcommittee met on February 26, 1998. Presentations and discussions addressed the activities, objectives and outcomes of Job Training Partnership Act (JTPA), JOBS and One-Stop Center programs in the MAG region.

8. Special Transportation Study Update

The Chair tabled this item until the next meeting.

9. Homeless Issues

Carol Kratz reported that the MAG Homeless Plan Update is on this month's agenda for the Management Committee and the Regional Council for approval. Copies of the plan will be distributed following approval.

A bigger issue has surfaced in recent weeks and Carol distributed copies of an informational memorandum that was prepared for the Management Committee for action this month. The federal McKinney Act funding is expiring soon. A meeting was held with stakeholder staff members on February 13, 1998 that became contentious and developed no resolution. Carol warned that there is potential for very negative impacts in the near future. This issue is likely to be continued with the Continuum of Care process, which begins in about one month. One problem is that the McKinney funds have been used to provide housing vouchers for homeless citizens, mostly people with Serious Mental Illness who have been deinstitutionalized. Unfortunately, when the money is discontinued, there is nothing to show for the past investments, such as "brick and mortar" housing to meet continuing needs. The unresolved debate centers around who is responsible for continuing housing support for this population, at what funding level, and whether capital investment is called for.

10. Ad Hoc Issue Study

The Chair tabled this item to a future meeting.

11. DES Expenditure Report

The Chair tabled this item.

12. Legislative Update

The Chair skipped this item which was covered under the Welfare Reform Subcommittee Report.

13. Call to the Public

There were no requests to speak.

14. Announcements

There were no announcements in addition to the printed announcements in the agenda.

15. Adjourn

The Chair adjourned the meeting at 11:30 a.m.